







### Thank You

The purpose of this document is to pull together in one place a strategic vision for how our partnership of economic and workforce development organizations will address the challenging issues facing us in the 21st century. These include how we will retain businesses and prevent lay-offs, how we will provide services when lay-offs do occur, how we will provide a unified approach to business services, and how we will re-focus our long-term workforce development strategies in light of changing economic conditions. All of these are crucial elements of a wide-scope approach to the new economy in the 21st century.

Some of the strategies in this plan are more conceptual and very long-term in nature, while others are much more concrete and short-term. It is important that both approaches be involved, and that the more immediate strategies support the longer-term strategies. We believe that this is the case, and that this plan will provide overall direction to all our activities during the coming years.

On behalf of the extensive public-private partnership throughout Northwest Michigan, we wish to thank all the individuals and organizations who participated in the development of this plan. As always, the degree of collaboration and partnership has been outstanding.

Larry C. Inman, Chairperson

Northwest Michigan Council of Governments

David R. Adams, Chairperson

David R adons

Northwest Michigan Workforce Development Board



This plan is designed to enhance the region's delivery of effective, well-coordinated, comprehensive, regional service strategies for business development, prevention of business closings and lay-offs, and workforce competitiveness for the 21<sup>st</sup> century. The plan stresses a collaborative approach among multiple community organizations. It is meant to provide general information to the public, as well as to provide specific strategies for the partner organizations.

#### This plan was developed by:

Northwest Michigan Council of Governments and the Northwest Michigan Workforce Development Board

In partnership with:

Northwest Michigan Works!

Northern Lakes Economic Alliance

Traverse Bay Economic Development Corp.

Manistee Economic Development Office

Petoskey Regional Chamber of Commerce

Traverse City Area Chamber of Commerce

Cadillac Area Chamber of Commerce

Manistee Chamber of Commerce

North Central Michigan College

Northwestern Michigan College

West Shore Community College

Baker College (Cadillac)

Char-Em Intermediate School District

Traverse Bay Area Intermediate School District & Career Technical Center

Wexford-Missaukee Area Intermediate School District & Career Technical Center

Manistee Intermediate School District

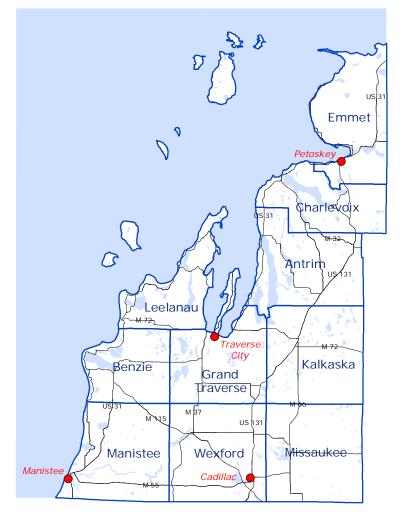
Local units of government (counties, townships, cities, villages)

Michigan Rehabilitation Services

Michigan Economic Development Corp.

Michigan Small Business & Technology Development Center

Procurement Technical Assistance Center



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# What is the Northwest Michigan Council of Governments?

The Northwest Michigan Council of Governments (NWMCOG) is a consortium of ten counties, organized as a legal unit of regional government. The NWMCOG board of directors consists of County Commissioners, one from each of the member counties. Its purpose is to provide the following benefits to member counties, along with other units of government (townships, cities, villages), non-profit organizations, and other partners:

- Provide an economy of scale so that programs and services that would be too expensive or not otherwise feasible to operate on an individual-county basis can be carried out collectively;
- Provide a regional perspective that cuts across jurisdictional lines and encourages the pursuit of common goals;
- Provide an emphasis on public-private partnership;
- Provide a clearinghouse for information, technical assistance, and professional services that are not otherwise readily available to local units of government and organizations;
- Provide a neutral and flexible forum through which common problems, issues, and needs can be addressed across jurisdictional lines.

NWMCOG's mix of activities varies over time, as part of its purpose is to remain demand-driven by the needs of the region. Its primary areas of operation include the following:

- Workforce development (operating under the name Northwest Michigan WORKS!);
- Economic development;
- Regional planning and community development;
- Data research and information services;
- · Corrections-related programming.

# What is the Northwest Michigan Workforce Development Board?

The Workforce Development Board's role is to provide strategy direction and oversight for all the programs that operate under the Northwest Michigan WORKS! system, plus to link with other initiatives (internal to NWMCOG as well as within the communities) that relate to economic development and education. It is appointed by the region's ten counties and consists of 30 members with a private sector emphasis, as follows:

- 20 business representatives, two from each county;
- 1 representative of K-12 education;
- 1 representative of post-secondary education;
- 1 representative of economic development organizations;
- 2 representatives of organized labor;
- 1 representative of rehabilitation organizations;
- 1 representative of the Department of Human Services;
- 1 student representative;
- 2 representatives of community based organizations such as non-profit agencies.



# Status Assessment: The Local Workforce and Economy

"Work is an extension of personality. It is achievement. It is one of the ways in which a person defines himself, measures his worth, and his humanity."

-- Peter F. Drucker

#### Why do we assess local conditions?

In order to set a realistic and meaningful vision, it is important to understand the vital data, as well as the strengths and weaknesses, of the region's workforce and economy. Our goals should challenge us to a new level of economic health and vitality. To accomplish these things, the foundation of knowledge about our current conditions and a solid historical perspective provide the context from which to move forward.

The Northwest Michigan Council of Governments and its many regional partners assess the region's economy and workforce on a regular basis. Several major documents – listed at the end of this section – provide substantial data and information on this subject. Below is a summary of current conditions.

#### **Industry Employment Trends**

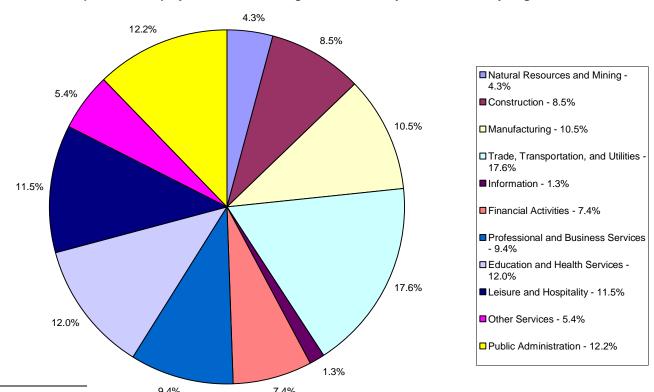
Industry job growth held stagnant in the ten-county Northwest Michigan region over the three-year period from 2002-2005. Significant employment losses were felt in the following industries: manufacturing; transportation and warehousing; arts, entertainment, recreation; accommodation and food services. Employment gains were demonstrated in these fields: utilities; professional and technical services; administrative and waste services; educational services.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> U.S. Bureau of Labor Statistics (BLS). Economic Modeling Specialists, Inc. (EMSI). 2006.

It is projected that from 2005-2010 there will be 13% growth in total employment within the Northwest Michigan area, from 167,806 to 189,441. Major growth industries will include: construction; retail trade; administrative and waste services; health care and social assistance; accommodation and food services. The only industry projected to experience employment losses is manufacturing.<sup>2</sup>

It should also be stressed that the impact of tourism and the area's expanding population will remain significant. Many of the high-growth industries are directly related to tourism and the majority of the fastest growing industries serve the rapidly growing population in the area. The top occupations are a diverse set of positions, ranging from high skill positions such as general managers and top executives to moderate skill jobs such as retail salespersons, office clerks and cashiers.

#### Supersector Employment as a Percentage of the Economy for the 10-County Region, 2005.



<sup>&</sup>lt;sup>2</sup> U.S. Bureau of Labor Statistics (BLS). Economic Modeling Specialists, Inc. (EMSI). 2006.



#### **Labor Force & Income**

Population in the Northwest Michigan region has increased at a significantly faster pace than the state. Between 2000 and 2005, the region's population grew by 8.2 percent to 305,634 persons. This was approximately four times the statewide growth rate of 2.1 percent during the same time period. According to Michigan Department of Transportation estimates, the Northwest Michigan area is expected to continue to grow at triple the pace of the state's rate for the next five to ten years.<sup>3</sup>

The region's past and projected population growth will primarily be the result of the net migration of individuals from other areas. From 2000-2005, the Northwest Michigan region experienced positive net migration. Many of the counties in the Northwest Michigan area were among those in the state with the highest net migration as a percentage of total growth.<sup>3</sup>

In correlation with the region's total population growth, Northwest Michigan's labor force and employment growth patterns have also outpaced the state. Northwest Michigan's labor force grew by 9.1 percent from 2000-2005, which is significantly higher than the 3.6 percent growth rate recorded by the state.



The age structure of the labor force within the Northwest Michigan MWA is also critical, as an imbalance of workers entering and leaving the workforce can result in shortages or an oversupply of workers in specific occupations or entire industries. Labor shortages in the region may be likely to appear in the future if retirements exceed numbers of young workers entering the job market. Strategies to retain older workers and to increase the participation of workers currently not fully participating in the workforce will be critical toward maintaining optimal levels of employment and sustaining the region's economic expansion. However, age is only one attribute among many. Income, employment, and education are also critical components of the region's populous as they also play a part in determining what employment types are more successful and sustainable.

<sup>&</sup>lt;sup>3</sup> United States Census Bureau, American Community Survey, 2006.



Another important factor when considering the region's labor force is that seasonal employment patterns have historically contributed to a higher than average annual unemployment rate in the region. Due to recent downturns in Michigan's economy and a greater diversification of industry types within the Northwest Michigan region, the gap between regional and state unemployment rates has decreased. The unemployment rate in Northwest Michigan was 6.7% in 2005-identical to the state rate, but remains 1.6% higher than the national average. However, there continues to be a significant discrepancy between the average regional income and that of the state. The area's per capita personal income (PCPI) of \$27,178 in 2004 was 85% of the state average PCPI of \$32,079. Many of the region's jobs are concentrated in the lowest paying sectors: retail, accommodation, and food services. Many are seasonal or temporary in nature.

#### The Knowledge Economy

A fundamental change is taking place in the economy. It is the value-added role of knowledge, beyond any level previously experienced. The deployment of knowledge now supersedes traditional capital (buildings, machinery, etc.) in terms of its importance in business vitality and long term sustainability. Many new business practices rely heavily on the creative use of information and knowledge. This is evident in the growing trend from traditional ownership to more use of

partnerships, outsourcing, collaborative ventures, and strategic alliances. Many industries see business shrinking in size, making fewer irreversible resource commitments, and becoming much more flexible in nature. The traditional, formal company boundaries we saw during the height of the industrial economy are now more blurry and adaptable. "As technology becomes more sophisticated and the kinds of value that businesses can deliver becomes more imaginative and diversified, an increasing proportion of the people in an organization are dealing with knowledge instead of things." Whereas management, labor and capital have been the cornerstones of business during the industrial age, many new business models now revolve around the foundations of people, technology and knowledge.

<sup>&</sup>lt;sup>4</sup> United States Department of Labor, Bureau of Labor Statistics, 2006.

<sup>&</sup>lt;sup>5</sup> United States Department of Labor, Bureau of Economic Analysis, 2006.

<sup>&</sup>lt;sup>6</sup> Albrecht, Karl. *The Northbound Train*. Amacom, New York, 1994 (page 46).



Another high-impact element of the Knowledge Economy is the rapid advent of the internet, which allows occupations traditionally based in urban areas to succeed in our rural ten-county region. The growth in this new sector results in jobs that are based on knowledge, information, and intellectual property (i.e. advertising, internet commerce, design services, remote offices for city based companies, etc.), and many times result in home-based and small village employment not bound by traditional commuting patterns.

#### **Sources for Additional Information**

Northwest Michigan Comprehensive Economic Development Strategy (<a href="www.nwm.org/ceds.asp">www.nwm.org/ceds.asp</a>)

Benchmarks Northwest-Quality of Life Report (www.nwm.org/benchmarks.asp)

Northwest Michigan Council of Governments: Population and Economic Data (<a href="https://www.nwmcog.org">www.nwmcog.org</a>)

Economic Forecast for the Grand Traverse Bay Region (<a href="https://www.tcchamber.org/economic/forecast.php">www.tcchamber.org/economic/forecast.php</a>)

Department of Labor and Economic Growth, Labor Market Information (www.michlmi.org)

United States Department of Labor, Bureau of Labor Statistics (www.bls.gov)

United States Department of Commerce, Bureau of Economic Analysis (www.bea.gov)





# Status Assessment: Regional Assets, Challenges and Gaps

#### Why do we Assess our Assets, Challenges and Gaps?

"Things aren't as good as they seem, and things aren't as bad as they seem, reality is always somewhere in-between."

---Lou Holtz, retired football coach

This assessment serves as the foundation for strategic goal setting. With limited resources among the partner organizations, it is imperative that the focus be targeted to filling service gaps and enhancing assets. This assessment is not meant to be in great depth, but to provide a general framework for directing our collective energies.

#### **Assets**

- Long and strong history of collaboration among partner organizations;
- Well-established model for a unified, single point of contact (often called a "one-knock" system) for business services since 1990;
- Very high percentage of businesses using the Michigan Works! system for workforce and business development services;
- Effective and well-respected economic development, education, and workforce development organizations;
- Strong leadership of the Workforce Development Board;



- Outstanding public-private partnerships;
- Existing, locally-developed database for employer contact records (Business Information Exchange);
- Excellent track record of re-training and re-employment for dislocated workers;
- Well-established system for joint retention calls on businesses;
- An experienced and seasoned workforce.

#### **Challenges**

- Workforce development professionals in the region are currently using
  two different databases for employer information: the local Business
  Information Exchange and the state Employer Tracking System. Both
  systems serve different purposes and do not connect. There is a desire to
  add software that would allow for business condition analysis and
  diagnosis to help identify early warning signals and prompt business
  support services. Data entry and maintenance for multiple databases is
  not supportable financially and is not an efficient or effective use of tools.
- The region is very large geographically. It is a continual challenge to apply regional perspectives and pursue regional initiatives, while still acknowledging and accommodating sub-regional community differences in character and need.





- Business people are often reluctant to discuss troubles they are having in keeping a company viable and
  competitive. Therefore they do not seek help at the point where trouble could be reversible through the provision of
  coordinated business support services. They are also sometimes reluctant to release information about a pending
  closing, and/or to provide release time for worker re-employment services, for fear of losing their workforce too
  soon and therefore not being able to fulfill business commitments.
- Curriculum and program development processes are slow in the K-12 and post-secondary education systems. It is extremely difficult and costly for education systems to offer the kind of rapid responses needed in the new economy. Preparing the future workforce for 21<sup>st</sup> century jobs requires integrating the needs of future employers into the curriculum today. There are still too many programs that are based on "seat time" rather than on competency-based assessment, and not enough open-entry, modularized curriculums from which business people and consumers can select the needed training. Strategic investments are needed for the community colleges to obtain up-to-date equipment for training in advanced technologies.
- Disparate levels of funding to public K-12 schools in our tencounty region (and throughout the state) exacerbate the problems mentioned above, and prevent some schools from providing the kinds of programs that meet the needs of employers in the new economy.
- 11.24% of the workforce in Northwest Michigan is age 55 and older. As this group retires, we need to retain and attract younger, new talent to our area to replace them.<sup>7</sup>
- The ten-county Northwest Michigan region spans 4,950 sq. miles, with only four primary population centers. Residents of our rural communities face obstacles in reliable transportation and affordable homes.



Technological capacity and competency are still not widespread in all communities and businesses.

<sup>&</sup>lt;sup>7</sup> U.S. Bureau of Labor Statistics (BLS). Economic Modeling Specialists, Inc. (EMSI). 2006.



#### **Gaps**

- Lack of quick-response, local teams of business experts to consult inside a business that is struggling.
- Lack of a quick, easy, technology-based communication system for the Business Enhancement Teams' use in between quarterly team meetings.
- Severe lack of funding for adult basic skills education, GED preparation, and high school completion.
- Lack of a four-year research university, which has been identified by economic development representatives as a means to attracting a more diverse range of businesses.
- Lack of truly regional data for only the ten counties in our region. The data that are available in state-wide labor market information systems combine our ten-county Northwest Michigan region with the Northeast Michigan region and all of the Upper Peninsula. The combination of these varying regions makes data inaccurate and nonapplicable to our area.
- Lack of organized support systems to encourage cultural diversity in communities and in new businesses.
- Lack of broadband infrastructure in some communities.



# Unified Approach to Business Services

"Great things are done by a series of small things brought together."

---Vincent Van Gogh

#### Why is a Unified Approach Important?

In 1990, workforce and economic development leaders held a series of focus groups and asked business people how we could improve the provision of business development services. Overwhelmingly, the business community said they wanted a "one-knock" system in which they could have a single point of contact for the full spectrum of business development services, as opposed to having many people knocking on their doors. They expressed confusion and frustration with the wide array of public services, and their difficulty in knowing where to go for different kinds of help.

In response, the region's workforce and economic development organizations got together and created a Business Enhancement Team for each community (then called Business Account Teams). Each team has a Business Liaison, who is a neutral agent who acts as an account representative for the variety of business development services throughout the community. Currently there are seven Business Liaisons for the ten-county region. They help pull together a customized mix of services from among all the partner organizations to address each company's needs. The focus is on building long-term relationships with the businesses so the system of service providers can grow knowledgeable about each company's and industry's needs.

#### **Our Vision**

Our vision is that each business can access the full array of workforce development and business development services through one Business Liaison, who will pull together a customized mix of services for each customer in partnership with all community organizations, public and private.



# Strategy 1: Updated Model

As part of the process for this "Creating the 21<sup>st</sup> Century Workforce: Developing Coordinated Regional Strategies" plan, the

regional partners have updated and refined the Business Enhancement Team model. The diagram on page 19 shows the model from the perspectives of WHAT services are involved and WHO (which organizations) are involved.

The Business Liaison positions are cost-shared among a variety of program funding sources. These positions serve to provide the customers – the employers – a single source for access to the wide array of business development services. This does not preclude any organization from directly approaching a company. However, from the company's perspective, it provides a single contact source for access to all, and a less confusing maze of service providers.

The Business Liaisons operate like account representatives, and are responsible for providing business outreach on behalf of all the partner organizations. Their focus is developing and maintaining a long term relationship with each business, and pulling together the right mix of services from multiple providers, as illustrated on the following page.



There are four Business Enhancement Teams in the region, based on geographic area. Each team will meet quarterly for informal sharing of information, refinement of collaborative strategies, and most importantly to discuss company-specific needs and service strategies. Four times a year, the region's Economic Development Advisory Council will meet to incorporate training and communication channels for the four Business Enhancement Teams, with an expanded membership to others who are less directly involved in business development services (see the diagram on page 20). This group will be instrumental in developing the region's Comprehensive Economic Development Strategy document.

Another element of the updated model for Business Enhancement Teams will be the development of an "e-mail alert" system, by which any member of the team can notify others in the team of important events or conditions relative to a particular business. Joint, unified marketing approaches will also be reenergized, stressing the "one knock" system and the depth of resources available through the Business Enhancement Teams.

Strategy	Lead Partner(s)	Target Date for Completion	Milestones
1	Northwest Michigan WORKS!	December 31, 2006	Ü Completed

### **Business Enhancement Team**

#### **PARTNERS**

- § MICHIGAN REHABILITATION SERVICES
- § COMMUNITY COLLEGES, TECH CENTERS AND PRIVATE COLLEGES
- § K-12 SCHOOLS AND INTERMEDIATE SCHOOL DISTRICTS
- § MICHIGAN WORKS!
- § LOCAL UNITS OF GOVERNMENT
- § NORTHWEST MICHIGAN COUNCIL OF GOVERNMENTS
- § MI MANUFACTURING TECHNOLOGY CENTER
- § MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
- § LOCAL INDUSTRY ASSOCIATIONS
- § CHAMBERS OF COMMERCE
- § PROCUREMENT TECHNICAL ASSISTANCE CENTER
- § ECONOMIC DEVELOPMENT ORGANIZATIONS
- § MI SMALL BUSINESS AND TECNOLOGY DEVELOPMENT CENTER
- § MIGRANT/SEASONAL FARM WORKER SPECIALISTS
- § VETERANS SPECIALISTS
- § YOUTH SPECIALISTS
- § OLDER WORKER SPECIALISTS



#### **SERVICES**

- § OUTREACH TO BUSINESSES
- § EMPLOYEE RECRUITMENT, SCREENING AND REFERRAL
- § INTERNSHIPS & APPRENTICESHIPS
- § WORKFORCE TRAINING AND SKILLS UPGRADING
- § INCUMBENT WORKER TRAINING
- § RAPID RESPONSE AND OUTPLACEMENT SERVICES
- § EDUCATION AND TRAINING PROGRAMS
- § INFRASTRUCTURE DEVELOPMENT
- § TARGETED ECONOMIC DEVELOPMENT ACTIVITES
- § TAX INCENTIVES
- § LABOR MARKET & ECONOMIC DATA
- § BUSINESS RETENTION SERVICES
- § FEDERAL & STATE GRANTS
- § EXPORTING ASSISTANCE
- § TECHNICAL ASSISTANCE TO PROCURE GOVERNMENT CONTRACTS
- § SMALL BUSINESS COUNSELING AND PLANNING
- § WORKSHOPS ON TOPICS OF INTEREST TO BUSINESSES
- § BIZ RESOURCE CENTERS



#### Economic Development Advisory Committee

mittee EDAC

sponsored & facilitated by:



**Purpose:** Economic development education, workshops, trend identification, and strategy development.

**Membership:** Economic Development Corporations, Chambers of Commerce, Downtown Development Agencies, Tribes, Counties, Townships, Cities, Villages, Colleges, Michigan State Extension, Local Businesses, Education & Training providers and others.

Meets May & November every year

Manistee County

**BET** 

#### Economic Development Advisory Committee-

**Executive Committee** 

**Purpose:** Identifying and implementing 10-County regional economic development strategies.

Membership: MI Works! Business Liaisons, Economic Development Corporations, Government Economic Development Officials, Small Business and Technology Development Center, Community Colleges, etc.

Meets February & June every year

#### Sub-Regional Business Enhancement Teams

**Purpose:** Identifying and implementing business-specific strategies and actions to improve the health of individual businesses. Continuing aggressive outreach to new companies. Facilitating referrals among partners.

**Membership:** MI Works! Business Liaisons, Local Economic Development Corporations, Michigan Rehabilitation Services, Community Colleges, Michigan Economic Development Corporation, and others.

Meets January, April, July, & October every year

Benzie, Leelanau, Grand Traverse, & Kalkaska Counties

Charlevoix, Emmet & Antrim Counties

Creating the 21<sup>st</sup> Century Workforce: Coordinated Strategic Partnerships in the Northwest Michigan Region.





# **Strategy 2: Workforce and Business Development Resource Directory**

The community of business service partners has developed - and is committed to maintaining - a web-based, no-

cost Workforce and Business Development Resource Directory. This allows companies to easily search by topic for providers (public and private) who can help them sustain and grow. The directory will be hosted on the Northwest Michigan Council of Governments web site, with links to and from all partner organizations. It is currently in the final stages of development and will be made public by the end of calendar year 2006.

This directory allows for broadened, easier access to services when personal contact with the Business Liaison is not possible. It expands access beyond the limits of personnel and funding available for the "single knock" system of Business Liaisons.

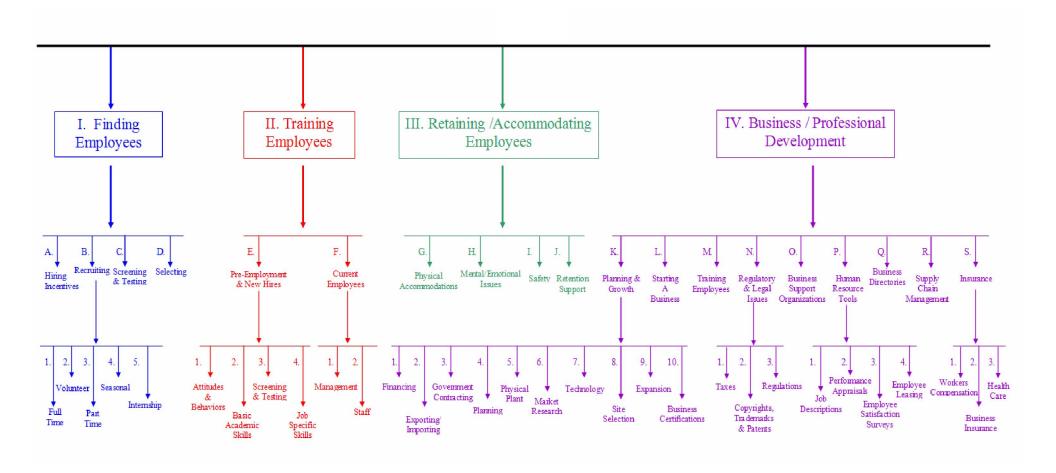
The next page shows the directory's content outline. Individual service providers will be listed under the last box in each category. Each provider listing will include the organization's name, location and contact information, along with a short description and a web link.



Strategy	Lead Partner(s)	Target Date for Completion	Milestones
2	Northwest Michigan Council of Governments & Traverse City Area Chamber of Commerce	December 31, 2006	Ü Completed



#### Workforce and Business Development Resource Directory



# Business Retention and Lay-Off Prevention

#### **Can Early Intervention Really Make a Difference?**

"Change is inevitable. Change for the better is a full-time job."
---Adlai E. Stevenson

Yes, by detecting the early warning signs and seeking help, many businesses that would otherwise end up closing their doors or incurring mass lay-offs of staff could instead regain stability and even move forward. There are many resources available to help struggling businesses, and the goals shown on the following pages identify additional strategies that are being developed.

#### **Our Vision**

Our vision is that any business that is stressed or challenged (not due to normal business cycles) can confidently and readily approach a helpful community team of workforce and business development professionals. This team will provide assistance to avert closing and/or lay-offs, and fully respect the confidentiality of the business.



#### **Early Warning Signs**

The partner organizations have identified typical early warning signs that companies are struggling. These indicators are important to early intervention, as they trigger the provision of services in a timely manner so as to avert business closings and lay-offs.

- Changes and challenges in the industry that can put an individual businesses at risk;
- Changes in corporate structure;
- Increased employee traffic at Michigan Works! Centers from a particular company;
- Company is not keeping up with employee training;
- Loss of a large contract or multiple smaller contracts;
- Pay freezes and/or benefit reductions;
- Unpaid taxes to local units of government;
- Slow in payments to vendors and/or dues payments to community organizations.

#### **Strategies**

1. Identify several manufacturing companies to participate in the Michigan Manufacturing Technology Center's "From Surviving to Thriving" process

Strategy	Lead Partner(s)	Target Date for Completion	Milestones
1	Northwest Michigan WORKS!	December 31, 2007	Ü Completed

2. Develop a web site specifically for employers to access information about help in averting closings and lay-offs (see Communications Strategy)

Strategy	Lead Partner(s)	Target Date for Completion
2	Northwest Michigan Council of Governments	December 31, 2007

3. Intensify the use of the locally-developed, regional Business Information Exchange database to include use by all partners, and to include information about early warning signs, veteran-owned businesses, and other specific data needed by partners

Strategy	Lead Partner(s)	Target Date for Completion
3	Northwest Michigan Council of Governments	June 30, 2007

4. Promote the on-line Workforce and Business Development Resource Directory as a tool for averting downsizing and closing

Strategy	Lead Partner(s)	Target Date for Completion	Milestones
4	Traverse City Area Chamber of Commerce	September 30, 2007	Ü Complete database & web design by December 31, 2006 (completed)
	Northwest Michigan Council of Governments		Ü Presentation to area businesses on February 20, 2007
			• Expansion to other Chambers and full ten county region by September 30, 2007

5. Consider purchasing business trending, diagnostic, and forecasting software to be used by companies, in partnership with service providers, to identify trouble situations

Strategy	Lead Partner(s)	Target Date for	Milestones
		Completion	
5	Northwest Michigan WORKS!	September 30, 2007	Ü Preview potential software options by
	Northwest Michigan Council of		December 31, 2006 (completed)
	Governments		Ü Survey all users in January/February 2007
	Local Economic Development		(completed)
	Organizations		• Purchase software by June 30, 2007
	Community Colleges		Train all users for full implementation by
			September 30, 2007

## 6. Expand the number of visits to at-risk businesses by a team of partners specializing in Business Retention and Lay-Off Prevention

Strategy	Lead Partner(s)	Target Date for Completion	Milestones
6	Northwest Michigan WORKS! Local Economic Development	December 31, 2006	ü New joint visitation procedures established and being implemented regularly
	Organizations		
	Mi. Economic Development		(completed)
	Corporation		

## 7. Offer "Improving your Competitiveness" workshops and other educational programs for different types of businesses

Strategy	Lead Partner(s)	Target Date for Completion
7	Northwest Michigan WORKS!	June 20, 2009 and an aging
	Chambers of Commerce	June 30, 2008 and on-going

# 8. Develop four, sub-regional Business Intervention Teams of local business experts to provide on-site, no-cost consulting for troubled businesses at their request, drawing on the wealth of resources available from local, state, and federal sources

Strategy	Lead Partner(s)	Target Date for Completion
8	Local Economic Development Organizations Northwest Michigan WORKS!	June 30, 2008 and on-going

## 9. Continue working to develop a regional Angel investor network for financial help for new or struggling businesses ("Angel" investors provide venture capital with little or no involvement in management)

Strategy	Lead Partner(s)	Target Date for Completion
9	9 Local Economic Development Organizations  Lyne 20, 2009 and an account of the control of the c	
	Small Business & Technology Development Center	June 30, 2008 and on-going

#### 10. Coordinate with the state Department of Labor and Economic Growth's rapid response database

Strategy	Lead Partner(s)	Target Date for Completion
10	Northwest Michigan Council of Governments	June 30, 2007

## 11. Promote the confidentiality of service providers to alleviate business concerns about sharing sensitive information

Strategy	Lead Partner(s)	Target Date for Completion
11	Northwest Michigan WORKS!	ii January 1 2007 and an asing
	Local Economic Development Organizations	Ü January 1, 2007 and on-going



# Rapid Response

#### What is Rapid Response?

"Things done well and with care, exempt themselves from fear."

---William Shakespeare

Rapid Response activities are engaged immediately upon notification of a lay-off situation with any business. Their purpose is to assess the extent of lay-offs, the types of job skills the workers have, the workers' needs for retraining and re-employment, and to begin developing a communitywide response to deliver the services workers need to remain vital, productive members of the community.

Each instance of Rapid Response is customized to the particular situation: the community in which the worker dislocation is taking place, the extent and types of jobs being lost, and any other factors that will affect re-employment efforts.

#### **Our Vision**

Our vision is that every worker who receives a lay-off notice due to a business closing or down-sizing can receive customized re-employment assistance from a community-based team of professionals.



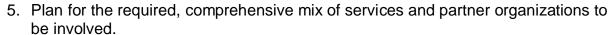
#### **The Rapid Response Triage Process**

#### Step 1

 Conduct one or more on-site visits with business management by the local Michigan Works! Business Liaison, in partnership with the Department of Labor and Economic Growth's Workforce Transition Unit.

#### **Strategies**

- 1. Assess the number of employees affected, timing of layoffs, general education and skill levels of the employees, any employer-supported re-employment benefits, and the overall impact of the incident;
- 2. Determine the likelihood of eligibility for federal Trade Adjustment Assistance (federal government assistance for re-training of dislocated workers due to foreign competition) and make application for such assistance if appropriate;
- 3. Secure commitment from the business to cooperate fully in the re-employment process for its workers, including peer mentors for employees;
- 4. Facilitate the creation of a Joint Adjustment Committee (consisting of representatives from service providers, management, and the union) if appropriate because of union affiliation;





Strategy	Lead Partner(s)	Target Date for Completion
Step 1,		Dates are targeted to the lay-off announcement.
Strategies	Northwest Michigan WORKS!	All 5 strategies should be completed within one
1-5		week of lay-off announcement.



#### Step 2

- Conduct a series of employee group meetings to introduce the full spectrum of community services available to them:
- Develop an on-site presence for Michigan Works! staff and other community partners who will be providing services, if possible;
- Set up individual appointments to assess each employee's career interests, education, skills, goals, and personal support needs;
- Conduct community town hall meetings to develop broad-based community knowledge and engage full community support for the workers.

#### **Strategies**

- 1. Develop an Individualized Service Plan with each person to address educational levels, work values, vocational interests, and other issues in preparation for transition into new employment;
- 2. Achieve 100% participation by all affected workers;
- 3. Utilize a "wrap around" approach so that each displaced worker receives a blanket of community services that covers all needs.

Strategy	Lead Partner(s)	Target Date for Completion
Step 2,		All service strategies should begin within one
Strategies	Northwest Michigan WORKS!	week of lay-off announcement, and are on-going
1-3		for at least one year.



#### Step 3

Implement a comprehensive mix of worker readjustment and re-employment services, including but not limited
to: basic workplace skills such as reading, writing, math; high school completion; GED preparation; English as a
second language; career research and exploration; employment planning and counseling services; job skills
training and upgrading, either in the classroom or on-the-job; job search assistance; job placement assistance;
job retention assistance; individual and family support services such as budgeting, transportation, clothing,
licenses, stress reduction, and others.

#### **Strategies**

- 1. Start a community fund to help pay for individual worker re-training programs;
- 2. Develop re-training curriculums that specifically address skills upgrades and enhancements that build upon workers' experience and capabilities;
- 3. Re-employment of each dislocated worker;
- 4. Focus on increased wages from previous employment.

Strategy	Lead Partner(s)	Target Date for Completion
Step 3,		June 30, 2008
Strategy	Northwest Michigan Council of Governments	
1		
Step 3,		All service strategies should begin within one
Strategies	Northwest Michigan WORKS!	week of lay-off announcement, and are on-going
2-4	-	for at least one year.

#### **Sources for Additional Information**

Workforce Investment Act, Dislocated Worker Services Plan for Northwest Michigan (www.nwm.org/wia5yearplan.asp)

# Workforce Preparedness – Developing the Competitive Edge

"Planning is bringing the future into the present, so you can do something about it now."

---Alan Lakein

#### Why are economic conditions so different now?

Most people agree that computers and technology have caused the major changes we see in our world economy. But that is only part of the complex myriad of reasons our economic conditions are so different now. Northwest Michigan is not exempt from these effects by any means. It is imperative that we understand the dramatic changes in the business climate we now face. To do so, we need to go all the way back to the mid 1950s and consider several factors<sup>8</sup> that have gradually forced us out of the Industrial Age and into the Knowledge Economy (see page 11).

<u>The Japanese "quality miracle."</u> Following World War II, Japan was forced to completely revolutionize its economy. It successfully reinvented itself from the world's supplier of inexpensive, low-quality products into the world's leader in workforce skills, technology, and quality products.

<u>The microelectronic revolution.</u> The creation of microchips and digital technology in the early 1970s dramatically changed the way countless products are made – from watches to computers. Most importantly, it changed the way we communicate and share information, and significantly increased the speed of change.

<sup>&</sup>lt;sup>7</sup> Albrecht, Karl, *The Northbound Train*. AMACOM, a division of American Management Association, New York, 1994.

Oil prices. These have been generally rising, but also fluctuating regularly since the early 1970s, with the formation of the OPEC cartel of Middle Eastern oil-producing countries. This has caused businesses all over the world to focus on energy-saving products and practices, and dramatically altered the "ground rules" of most industries. It has also altered the economic balance of power across the world.

<u>The collapse of communism.</u> This changed everything from the emphasis on military products of many American companies, to the opening of many new markets worldwide. It was one of the most powerful economic forces of the century.

The aging population. Most of the highly industrialized countries had an increase in birth rates following World War II, coupled with an increase in life expectancy. Since then, however, most of the developed countries have had a steadily decreasing birth rate. This combination has caused a "bulge" of older population. It is the opposite in the developing countries, where birth rates continue to increase much faster, causing a predominance of young people.

The growth of the service economy. Labor-intensive industries have shifted toward the developing, third-world countries, while service industries such as health care, leisure and hospitality have grown in the more developed, higher-wage countries. However, the United States and other more developed nations have retained and are now expanding "the high-value-added production processes that require more advanced technology and more highly skilled workers." This creates a larger gap between the low-skill, low-wage jobs and the high-skill, high-wage jobs in our country.

Changes in manufacturing. The scope and nature of manufacturing have been changing dramatically throughout the United States, and Michigan has been particularly affected since so much of our state's industry has focused on the automobile. While low-skilled manufacturing jobs have been gradually moving out of the country and increases in productivity have lessened the number of workers needed, the manufacturing sector in many areas (including Northwest Michigan) is alive and adapting to more sophisticated technologies and skills, as well as expanding in research and diversity.



#### **New Workforce Requirements**

The Knowledge Economy demands a significantly higher level of academic preparation and achievement. Individuals who have only a high school diploma (or less) are almost certain to be stuck in low-skill and low-wage positions. Gone are the days of entering the factory after high school and maintaining a high-wage, low-skill, secure position. In addition to high academic skills in reading, communication, math and science, workers must now be creative problem solvers, good team members, technology savvy, and comfortable with a fast pace of change. It is now imperative that every employer harness and leverage the intelligence of each employee for the collective good of the business.

#### **Our Vision**

Our vision is that every K-12 school will prepare its students with the full complement of knowledge and skills now required for life-long learning and general application in the workforce.

Our vision is that every worker will have some post-secondary training or education that results in value-added skills, abilities, and knowledge that are applicable in the New Economy.

Our vision is that every employer and employee will recognize the need for, and actively pursue, the continuous learning process as an important element in business and economic success.



#### **Strategies**

- 1. Utilize the region's Strategic Advantage software and the University of Michigan's Skills Information Model (currently under development) to assist in identifying skills needed for particular occupations in the 21<sup>st</sup> century, and incorporate those skills into local training programs
- 2. Focus on attracting and retaining talented young adults by maintaining a diverse economic and cultural environment, and a high quality of life in the region

Strategy	Lead Partner(s)	Milestones & Target Dates
1-2	Northwest Michigan Council of Governments Northwest Michigan Workforce Development Board	On-going efforts, underway on a continual basis; annual economic forecasting process and planning documents facilitate this

- 3. Increase the academic competencies of students and enhance career preparation activities in our K-12 schools
- 4. Continue to reduce the number of high school drop-outs (as of the 2000 Census, 14.11% of the population age 25 years and older does not have a high school diploma or equivalency<sup>9</sup>)
- 5. Continue to increase the percentage of high school graduates who go on to post-secondary degree, certificate, or skills-training programs (as of the 2000 Census, only 51.89% of the population age 25 years and older have some college or higher<sup>8</sup>)
- 6. Encourage K-12 schools to include (or substitute) additional foreign languages, such as Chinese

Strategy	Lead Partner(s)	Milestones & Target Dates
3-6	Intermediate School Districts	On-going efforts, underway on a continual basis;
	Intermediate School Districts	annual census and school district data facilitate progress

<sup>&</sup>lt;sup>9</sup> U. S. Census Bureau, Decennial Census 2000.

7. Continue encouraging the development of non-traditional approaches to post-secondary training for incumbent and unemployed workers, such as open entry/open exit, modularized curriculums, web-based and interactive learning, and competency-based credentialing

Strategy	Lead Partner(s)	Milestones & Target Dates
7	Community Colleges	On-going efforts, underway on a continual basis; Tracked through the colleges' and Michigan WORKS!
	Northwest Michigan Workforce Development Board	enrollment and performance data

8. Focus resources on specific problems in specific counties, based on data from the Benchmarks Northwest-Quality of Life Report; the most recent example of this is KAL-TEC in Kalkaska County, a collaborative Regional Skills Alliance to substantially enhance the level of workforce preparedness over the decade beginning in 2005

Strategy	Lead Partner(s)	Milestones & Target Dates
8	Northwest Michigan Council of Governments	Ü First year of KAL-TEC successfully completed in
	_	February, 2007 (completed)  • Achieve all KAL-TEC short term goals by June 30, 2009
		<ul> <li>Next complete Benchmarks Northwest report issued in</li> </ul>
		2013, with interim, topical reports completed as needs are
		identified

9. Continue to develop and implement sector-based approaches to workforce training; the most recent example of this is the Healthcare Regional Skills Alliance of Northwest Michigan to prepare more workers for the variety and growing number of jobs in the healthcare sector

Strategy	Lead Partner(s)	Milestones & Target Dates
9	Northwest Michigan Workforce Development Board	Ü Apply for project expansion grant for Healthcare Regional Skills Alliance, April 2007
		• Apply for energy-related Regional Skills Alliance grant, April 2008
		• Apply for advanced manufacturing grant from USDOL in 2007-08

## 10. Issue quarterly inserts for the region's K-12 school districts' family newsletters that educate the public about the new education and skill levels necessary for the 21<sup>st</sup> century economy.

Strategy	Lead Partner(s)	Milestones & Target Dates
10	Northwest Michigan Workforce Development Board Intermediate School Districts	<ul> <li>Develop and distribute first insert, September 2007</li> <li>Subsequent inserts in winter 2008 and twice each school year thereafter</li> </ul>

## 11. Implement the Career Readiness Certificate to document to employers the basic workplace skills of potential employees.

Strategy	Lead Partner(s)	Milestones & Target Dates
11	Northwest Michigan Workforce Development Board	• Begin implementation by July 1, 2008

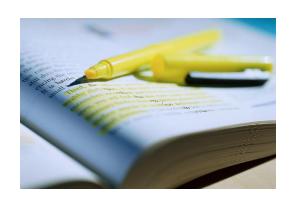
#### **Sources for Additional Information**

Ballard, Charles L., Michigan's Economic Future. Michigan State University Press, East Lansing, 2006.

Friedman, Thomas L., The World is Flat. Farrar, Straus and Giroux, New York, 2005.

Drucker, Peter F., Post-Capitalist Society. HarperBusiness, New York, 1994.

National Center on Education and the Economy, *Tough Choices or Tough Times*, Washington D.C., 2007.



# **Communications Strategy**

#### Why Do We Need A Communications Strategy?

"Faith in the creative process, in the dynamics of emergence, in the values and purposes that transcend past achievements and past forms, is the precondition of all further growth."

---Lewis Mumford

As in any network of collaborating organizations, the thread that holds everything together is communication. Well-intentioned partners agree to communicate well and often, but day-to-day tasks take precedence and communication suffers. Therefore, for the sake of the customers – businesses and the workforce – a structured communication system is needed to ensure that effective communication takes place in a timely manner.

#### **Our Vision**

Our vision is that communication among the region's partners for business, economic, and workforce development will take place in a comprehensive, coordinated, structured and timely fashion, and that all partners will participate fully.

Our vision is that economic development planning will continue to take place in a holistic, regional manner.



#### **Key Messages**

- Confidentiality: Throughout all communication efforts, respect for local businesses and their workers is paramount. Confidentiality is held in the highest regard by the professionals collaborating to provide services in Northwest Michigan. Local businesses and the general public must thoroughly understand that their personal information will be held confidential.
- Availability of Resources: Through the Business Enhancement Teams, Business Intervention Teams, and Rapid Response Triage, many resources are available to businesses in good times and in downturns. Communication with the employers of Northwest Michigan will stress the availability of services and the vast network of caring professionals through which those services are delivered. Workers in Northwest Michigan will learn that help is available to them as well.
- **Credibility:** Consistent and accurate communication, coupled with consistently high quality services, will relay the credibility of the professionals involved in delivering the strategies outlined in this document.

#### **Strategies**

The following strategies provide a framework for informing the general public and local businesses about the availability of resources provided by the various partners, as well as facilitating effective communication among partner organizations. The collaborative strategies in this plan will be publicized through a variety of sources: agency newsletters and web sites, brochures, the media, and face-to-face communication. Narrative and branding guidelines will be provided to all partners by the Northwest Michigan Council of Governments.



#### 1. Build Relationships

- Face-to-face contact is the most effective form of communication, allowing for nonverbal cues and instant feedback. The relationships currently built and maintained by Business Liaisons will continue to serve as a primary means of communication with local employers. All partners in this effort seek to build relationships with clients, whether in the business community or in the workforce.
- The Business Enhancement Team model is designed to bring about working relationships among partners in this effort. Team meetings will facilitate the process of building relationships among service providers. The informal networking that occurs at these meetings will support information sharing, strategizing, and the familiarity that will ease future contacts.
- The primary goal of this strategy is to build *long-term* relationships with local employers and between partner agency representatives. The trust that coincides with long-term relationships will make it easier for employers to confide in a partner when they need assistance, and easier for one partner to communicate with another to provide the most comprehensive services to that employer.

#### 2. Leverage Technology

- A new web site will be created to provide employers with a place to find information about Business Retention and Lay-off Prevention. This site will be the "home" page of the Business Enhancement Teams. The site will be housed on the Northwest Michigan Council of Governments' site. The URL will be carefully chosen to communicate the informational purpose of the site.
- The purpose of the site will be to convey information about services available specifically to local businesses that need assistance to prevent closing or mass layoffs. The anonymity of the internet may be appealing to employers who are reluctant to make a phone call and discuss their business problems.
- The site will be listed as a resource in the Workforce Development & Business Resource Directory (see page #).
- An e-mail alert system will be implemented for members of the Business Enhancement Teams. This will facilitate communication about at-risk businesses when early warning signs are detected.





#### 3. Construct a Brand

- Branding involves consistent, repetitive communication with all audiences via descriptive narrative and logo.
- Description of the team models and collaborative efforts will be provided by the Northwest Michigan Council of Governments for repetitive use by partner agencies.
- A logo will be developed for the Business Enhancement Teams to be used on the web site described above, for brochures, and for other communication about the team.
- Titles of each component in this plan will be used accurately in all communications: i.e., *Business Enhancement Team*; *Rapid Response Triage*; etc.

#### 4. Engage the Media

- Local news media across the region will be provided with the opportunity to feature a story on this collaborative partnership and plan.
- Ongoing communication with local media will include news releases, success stories, launch of new programs, etc.
- A partnership with a local news organization will be developed to feature a regular series of columns on service topics such as Rapid Response Triage, business retention activities, workshops of interest to businesses, and so forth.

#### 5. Build on Existing Communication Channels

 All partners currently have effective communication channels with their customers and other partners. This strategy will use these channels to inform all stakeholders about the structures and activities detailed in this document.



- 6. Educate the Public on the Knowledge Economy.
  - A series of informational articles on the Knowledge Economy is being developed. The articles stress the
    importance of education in preparing the current and future workforce for the Knowledge Economy. These
    articles will be distributed via school newsletters to parents for several years, and will be posted on the
    Northwest Michigan Council of Governments' web site. They will also be run in Chamber of Commerce
    newsletters and other such publications.

Strategy	Lead Partner(s)	Target Date for Completion
1-6	Northwest Michigan Council of Governments	I All to be fully implemented by June 30, 2008



### Conclusions

The ten-county Northwest Michigan region is blessed with both natural beauty and a unique spirit of community cooperation. For decades, the region has benefited from a non-competitive attitude in its public organizations and also from a strong entrepreneurial approach in all sectors. Consequently, the region has frequently been at the forefront of state and national movements in economic development, business development, education, and workforce development.



It is important to acknowledge that no plan is ever a finished document. This plan must reflect a continually-evolving process; therefore, the document will change as strategies are further refined. Some of the goals described herein are fairly broad and conceptual in nature. They will require that specific, targeted activities be undertaken in order to achieve the desired outcomes over the course of time. Under the Workforce Development Board's leadership, working hand-in-hand with its Education Advisory Group and all the partner organizations, these specific activities will continue to be developed and will be reflected in future versions of this document.

This process of examining our communities' needs in the 21st century has allowed regional partners the opportunity to re-evaluate and refine our approaches. Several creative "next level" initiatives have emerged from this process and will serve the region well in its continuous improvement efforts.



NWMCOG Chairperson, Larry Inman, and Traverse City Area Chamber of Commerce Vice President, Laura Oblinger, discuss the Communications Strategy.



Business Liaisons Melissa Ruba (Manistee County) and Nate Capellupo (Grand Traverse County) discuss a draft of this plan.



Joe Bottenhorn (left), Business Liaison for Kalkaska and Antrim Counties, Patrick Bubin (standing), PTAC Coordinator, and Rich Wolin, Northwestern Michigan College, discuss business retention services.



Representatives from business, Michigan Works!, Regional Planning, and SBTDC participate in a large focus group to create this plan.

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This plan can be found at www.nwm.org